



REAL ESTATE COMMISSION
 STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
 P. O. Box 3469
 Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on
 ANCHETAS' COURT
 68-070 & 68-064 Akule Street
 and
 68-022 & 68-024 Au Street
 Waialua, Hawaii 96791

Registration No. 2504 (CONVERSION)

Issued: October 15, 1991
 Expires: November 15, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of October 2, 19 91, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- ☐ **PRELIMINARY:**
 (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- ☒ **FINAL:**
 (white) The developer has legally created a condominium and has filed complete information with the Commission.
 ☒ No prior reports have been issued
 ☐ Supersedes all prior public reports
 ☐ Must be read together with _____
- ☐ **SUPPLEMENTARY:**
 (pink) Updates information contained in the
 ☐ Prelim. Public Report dated _____
 ☐ Final Public Report dated _____
 ☐ Supp. Public Report dated _____
- And ☐ Supersedes all prior public reports
 ☐ Must be read together with _____
- ☐ This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

☐ Required ☒ Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[X] No prior reports have been issued by the Commission.

[] Changes made are as follows:

SPECIAL ATTENTION

The Developer has disclosed that the land beneath and adjacent to each unit is designated as a limited common element of the project and does not represent a legally subdivided lot. Lot 80, area 13,065 square feet, has two (2) units, 68-064 & 68-070 Akule Street, located thereon; Lot 87, area 13,225 square feet, has two (2) units, 68-022 & 68-024 Au Street, located thereon. The prospective purchaser is cautioned to carefully review the documents for further information with regards to the foregoing.

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GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- ☒ Fee simple interest in an apartment and an undivided feehold interest in the common elements.
☐ Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
☐ Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. ☐ New Building(s) ☒ Conversion
☐ Both New Building(s) and Conversion
 2. ☒ Residential ☐ Commercial ☐ Ohana
☐ Mixed Residential and Commercial ☐ Agricultural
☐ Other _____

3. ☐ High Rise (5 stories or more) ☒ Low Rise

4. ☐ Single or ☐ Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
68-064 Akule	1	3/2	1,564	-0-
68-070 Akule	1	3/2	1,564	-0-
68-022 Au	1	3/2	1,592	-0-
68-024 Au	1	3/2	1,592	-0-
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 4

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

6. Parking:

Assigned Stalls (Individual Units)
 Guest Stalls
 Unassigned Stalls
 Extra Stalls Available for Purchase
 Other: _____

Total Parking Stalls

Number of Stalls
 2 in each carport. Each unit has a carport which is part of the apartment.

 8

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: ORLINO PADRE ANCHETA and
PERLITA MADERAZO ANCHETA
Name _____ Phone: (808) 261-3902
1354 Aulepe Street _____
Business Address _____
Kailua, Hawaii 96734 _____

Names of officers or general partners of developers who are corporations or partnerships:

Real Estate Broker: INVESTORS MANAGEMENT PROPERTIES, INC.
Name _____ Phone: (808) 847-6211
2295 North King Street _____
Business Address _____
Honolulu, Hawaii 96819 _____

Escrow: TITLE GUARANTY ESCROW SERVICES, INC.
Name _____ Phone: (808) 521-0211
235 Queen Street _____
Business Address _____
Honolulu, Hawaii 96813 _____

General Contractor: JSM Cabinet and Construction
Name _____ Phone: 845-8377
1015 Dillingham Boulevard, Warehouse 3 _____
Business Address _____
Honolulu, Hawaii 96817 _____

Condominium Managing Agent: Self Management
Name _____ Phone: (808) 261-3902
Business Address _____

Attorney for Developer: HIROSHI SAKAI, ATTORNEY AT LAW,
A LAW CORPORATION
Name _____ Phone: (808) 531-4171
201 Merchant Street, Suite 902 _____
Business Address _____
Honolulu, Hawaii 96813 _____

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed
☒ Recorded - Bureau of Conveyances - Document No. 91-006917
Book _____ Page _____
☐ Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

April 11, 1991, recorded as Document No. 91-046879 on April 15, 1991

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed
☒ Recorded - Bureau of Conveyance Condo Map No. 1434
☐ Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed
☒ Recorded - Bureau of Conveyances - Document No. 91-006918
Book _____ Page _____
☐ Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

April 11, 1991, Document No. 91-046879

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

☐ Proposed ☐ Adopted ☒ Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u> </u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:**

- ☐ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.
- ☒ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules

Developer has reserved the right under Paragraph 15.0 of the Declaration to alter the units in the Project which it owns without the approval of the Association or the other apartment owners and to amend the Condominium Map to note changes resulting from the exercise of the Developer's reserved rights under Paragraph 15.0. Developer has also reserved the right under Paragraph 16.0 to record any "as built" statements as required by law.

III. THE CONDOMINIUM PROJECT

A Interest to be Conveyed to Buyer:

- [X] Fee Simple: Individual apartments and the common elements which includes the underlying land will be in fee simple.
- [] Leasehold or Subleasehold: Individual apartments and the common elements which includes the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
☐ Month ☐ Year.

- 1) Individual Apartments in Fee Simple Common Interest in the Underlying Land in Leasehold or Subleasehold:

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners - tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
 [] Month [] Year.

- () Other:

For Subleaseholds:

- [] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is
[] Cancelled [] Foreclosed
- [] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. Underlying Land:

Address: 68-064 & 68-070 Akule Street,
Waialua, Hawaii Tax Map Key: (1) 6-8-11: 18
68-022 & 68-024 Au Street, (TMK)
Waialua, Hawaii Tax Map Key: (1) 6-8-11: 11

[] Address [] TMK is expected to change because _____

Land Area: 11,065 and
13,225 [X] square feet [] acre(s) Zoning: Apartment

Fee Owner: ORLINO PADRE ANCHETA and
PERLITA MADERAZO ANCHETA

Name

1354 Aulepe Street

Address

Kailua, Hawaii 96734

Sublessor:

Name

Address

C Buildings and Other Improvements:

1. [] New Building(s) [X] Conversion of Existing Building(s)
[] Both New Building(s) and Conversion

2. Buildings: 4 Floors Per Building 1 Floor

[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[] Concrete [] Hollow Tile [X] Wood

[] Other _____

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input checked="" type="checkbox"/> Residential	<u>4</u>	<u>Apartment</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____	_____	_____		_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?

☐ Yes ☐ No

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

☒ Pets: No pets without prior written approval of the Board of Directors.

☐ Number of Occupants: _____

☒ Other: See Article V, Sec. 3 A of By Laws

☐ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 0 Trash Chutes 0

<u>Apt Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
68-064 Akule	<u>1</u>	<u>3/2</u>	<u>1,564</u>	<u>-0-</u>
68-070 Akule	<u>1</u>	<u>3/2</u>	<u>1,564</u>	<u>-0-</u>
68-022 Au	<u>1</u>	<u>3/2</u>	<u>1,592</u>	<u>-0-</u>
68-024 Au	<u>1</u>	<u>3/2</u>	<u>1,592</u>	<u>-0-</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 4

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

The exterior surface of each structure including carport and closet.

An apartment owner has the right to construct, restore or replace his/her apartment in the Project under Paragraph 15 of the Declaration and amend the Declaration under Paragraph 16 including changes to the Condominium Map and the filing of the "as built" plans in accordance with the building code, zoning and subdivision ordinance.

Total Parking Stalls: 8

	Regular		Compact		Tandem		
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>TOTAL</u>
Assigned (for individual units)	8						
Guest							
Unassigned							
Extra Available for Purchase							
Other:							
Total							
Covered & Open	8						

Each apartment will have the exclusive use of at least two parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

- ☐ Commercial parking garage permitted in condominium project.
- ☐ Exhibit _____ contains additional information on parking stalls for this condominium project.

[X] There are no recreational or common facilities.

- [] Swimming pool [] Storage Area
[] Recreation Area [] Laundry Area
[] Tennis Court [] Trash Chute
[] Other: _____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

Units are about 1-1/2 years old. The Notice of Completion was published February 8, 15, 1990 on all four units.

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

Letters from the City dated June 18, 1991 indicate that the units met all code requirements when built and that no variances or special permits were granted to allow deviations from code.

10. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u> </u>	<u> </u>
Structures	<u>X</u>	<u> </u>	<u> </u>
Lot	<u>X</u>	<u> </u>	<u> </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. **Common Elements:** Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

☒ Exhibit A describes the common elements.

☐ As follows:

2. **Limited Common Elements:** Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which may use them are:

☐ described in Exhibit _____

☒ as follows:

The land area of each dwelling consisting of the land beneath is as shown and delineated on the Condominium Map is a limited common element for the use of the owner of each respective unit.

Apartment 68-064 Akule - 6,638 sq. ft.

Apartment 68-070 Akule - 6,427 sq. ft.

Apartment 68-022 Au - 6,458 sq. ft.

Apartment 68-024 Au - 6,767 sq. ft.

NOTE: These are not legally subdivided lots.

Lot 80 underlying 68-064 Akule & 68-070 Akule and Lot 87 underlying 68-022 and 68-024 Au Street are legally subdivided lots but the two units on each lot are not legally subdivided and under County Ordinances may not be subdivided.

3. **Common Interest:** Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

☐ Exhibit _____ describes the common interests for each apartment.

☒ As follows:

Apartment 68-022 Au: .246% appurtenant common interest

Apartment 68-024 Au: .257% appurtenant common interest

Apartment 68-064 Akule: .252% appurtenant common interest

Apartment 68-070 Akule: .245% appurtenant common interest

E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property.

Exhibit B describes the encumbrances against the title contained in the title report dated July 15, 1991 and issued by Title Guaranty of Hawaii Incorporated.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

Type of Lien

Mortgage, Security Agreement and Financing Statement dated November 21, 1988 in favor of GECC FINANCIAL CORPORATION, recorded in the Bureau of Conveyances, State of Hawaii in Book 22613, Page 570, as to Lot 87.

Mortgage, Security Agreement and Financing Statement dated November 3, 1989 in favor of GECC FINANCIAL CORPORATION, recorded in the Bureau of Conveyances, State of Hawaii in Book 23857, Page 346, for Lots 87 and 80, as amended on November 3, 1990, recorded as Document No. 90-175212.

**Effect on Buyer's Interest
If Developer Defaults**

Mortgagee may terminate Buyer's interest but latter is entitled to return of all deposits

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[X] self-managed by the Association of Apartment Owners.

[] other _____

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit --- contains a schedule of maintenance fees and maintenance fee disbursements.

NOTE: No maintenance fees are immediately contemplated. Paragraph 13 of the Declaration provides that the Association will allow each apartment owner to maintain his own insurance and name the Association as an additional insured.

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

☒ Not applicable

☐ Electricity

☐ Television Cable

☐ Gas

☐ Water & Sewer

☐ Other _____

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

No warranties, express or implied, are given or made with respect to the apartments.

2. Appliances:

No warranties, express or implied, are given or made with respect to the apartments.

J. Status of Construction and Estimated Completion Date:

All apartments are existing and Notice of Completion was filed on February 8, and 15, 1990.

K. Project Phases:

The developer ☐ has ☒ has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

☐ Notice to Owner Occupants

☒ Specimen Sales Contract

Exhibit C contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated January 10, 1991

Exhibit D contains a summary of the pertinent provisions of the escrow contract.

☐ Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Each apartment is a free standing dwelling and each has direct access to a public street. Each apartment has its own meter for water hook up and services. The utilities and water services will be separately billed.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2504 filed with the Real Estate Commission on August 20, 1991.

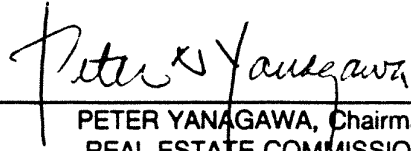
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Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.



PETER YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Bureau of Conveyances

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

Federal Housing Administration

EXHIBIT "A"

Common Elements. The common elements which the apartments have immediate access to include:

a. The land in fee simple for Apartments 68-022 Au and 68-024 Au is in Lot 87.

b. The land in fee simple for Apartments 68-064 Akule and 68-070 Akule is in Lot 80.

c. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.

EXHIBIT "B"

ENCUMBRANCES AGAINST TITLE; The Title Report dated July 15, 1991 reports that title to the land is subject to the following encumbrances:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. AS TO LOT 87 ONLY:

- (A) Covenants, conditions and restrictions set forth in DEED dated March 24, 1982, recorded in Liber 16352 at Page 166, to-wit:

"The Purchaser shall not place any used or secondhand buildings on the property herein described, or use or incorporate any used or secondhand materials into any buildings placed thereon prior to December 31, 1992 . . . the foregoing covenant shall run with the land and inure to the benefit of Lots 56-60, inclusive, Lots 65-71, inclusive, Lots 79, 80 and 87, Lots 90-94, inclusive, Lots 96, 99, 100, 104, 105, 108, 109, 111, 112 and 120 as shown on File Plan NO. 863, filed at the Bureau of Conveyances of the State of Hawaii."

- (B) Mortgage, Security Agreement and Financing Statement by and between Orlino Padre Ancheta and Perlita Maderazo Ancheta, husband and wife, as Mortgagor, and GECC Financial Corporation, a Hawaii corporation, as Mortgagee, dated November 21, 1988, recorded in the Bureau of Conveyances, State of Hawaii, in Liber 22613, Page 570.

- (C) Mortgage, Security Agreement and Financing Statement by and between Orlino Padre Ancheta and Perlita Maderazo Ancheta, husband and wife, as Mortgagor, and GECC Financial Corporation, a Hawaii corporation, as Mortgagee, dated November 3, 1989, recorded in the Bureau of Conveyances, State of Hawaii, in Liber 23857, Page 346.

Above Mortgage amended by instrument dated November 3, 1990, effective November 3, 1989 and recorded in said Bureau as Document No. 90-175212.

3. AS TO LOT 80 ONLY:

- (A) Covenants, conditions and restrictions set forth in DEED dated March 24, 1982, recorded in Liber 16352 at Page 158, to-wit:

"The Purchaser shall not place any used or secondhand buildings on the property herein described, or use or incorporate any used or secondhand materials into any buildings placed thereon prior to December 31, 1992 . . the foregoing covenant shall run with the land and inure to the benefit of Lots 56-60, inclusive, Lots 65-71, inclusive, Lots 79, 80 and 87, Lots 90-94, inclusive, Lots 96, 99, 100, 104, 105, 108, 109, 111, 112 and 120 as shown on File Plan No. 863, filed at the Bureau of Conveyances of the State of Hawaii."

- (B) Mortgage, Security Agreement and Financing Statement by and between Orlino Padre Ancheta and Perlita Maderazo Ancheta, husband and wife, as Mortgagor, and GECC Financial Corporation, a Hawaii corporation, as Mortgagee, dated November 3, 1989, recorded in the Bureau of Conveyances, State of Hawaii in Liber 23857, Page 365.

4. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated January 10, 1991, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 91-006917, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1434.)

5. By-Laws of the Association of Apartment Owners of the Condominium Project known as "ANCHETAS' COURT" dated January 10, 1991, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 91-006918. Said By-Laws were amended by instrument dated April 11, 1991, recorded as Document No. 91-046879.

6. Real property taxes as may be due and owing. Check with the County Tax Assessor for further information.

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EXHIBIT "C"

Summary of Sales Contract

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) A buyer must obtain his own financing. Buyer acknowledges that this Sales Contract is contingent on any financing after the issuance of the final public report.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That interest on deposits shall belong to the buyer so long as said funds are held in escrow.

(d) That the unit will be subject to various other legal documents which the buyer certifies that he has examined.

(e) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

EXHIBIT "D"

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Developer will let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT "E"

ANCHETAS' COURT

REGISTRATION NO. 2504

DISCLOSURE STATEMENT AS OF January 10, 1991

1. Name and Address of Project: ANCHETAS' COURT, 68-022 and 68-024 Au Street and 68-064 and 68-070 Akule Street, Waialua, City and County of Honolulu, State of Hawaii.

2. Name, Address and Telephone Number of Developer: ORLINO PADRE ANCHETA and PERLITA MADERAZO ANCHETA, of 1354 Aulepe Street, Kailua, Hawaii 96734, Telephone Number (808) 261-3902.

3. Managing Agent of Project: Self Management by Owners.

4. Maintenance Fees: None. The owners through the Association of Apartment Owners will manage the Project on its own by and through its owners.

5. Warranties: There are no warranties as to all apartments.

6. Use: The project consists of four (4) units to be utilized for residential uses and uses permitted under the zoning ordinances.

Dated: Honolulu, Hawaii, this 10th day of January, 1991.


ORLINO PADRE ANCHETA


PERLITA MADERAZO ANCHETA

Subscribed and sworn to before me
this 10th day of January, 1991.


NOTARY PUBLIC, STATE OF HAWAII

My commission expires: 9/27/91

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